VZCZCXRO6467 PP RUEHDBU DE RUEHAH #0228/01 0541249 ZNY SSSSS ZZH P 231249Z FEB 06 FM AMEMBASSY ASHGABAT TO RUEHC/SECSTATE WASHDC PRIORITY 7028 INFO RUCNCIS/CIS COLLECTIVE RUEHAK/AMEMBASSY ANKARA 2509 RUEHBJ/AMEMBASSY BEIJING 0411 RUEHRL/AMEMBASSY BERLIN 0357 RUEHLM/AMEMBASSY COLOMBO 0011 RUEHKA/AMEMBASSY DHAKA 0047 RUEHDBU/AMEMBASSY DUSHANBE 0010 RUEHIL/AMEMBASSY ISLAMABAD 1654 RUEHBUL/AMEMBASSY KABUL 0372 RUEHKT/AMEMBASSY KATHMANDU 0012 RUEHNE/AMEMBASSY NEW DELHI 0456 RUEKJCS/JOINT STAFF WASHINGTON DC//J5/RUE// RUEAIIA/CIA WASHDC RHEFDIA/DIA WASHDC RUEKJCS/SECDEF WASHINGTON DC RUEHVEN/USMISSION USOSCE 1601 RHMFISS/CDR USCENTCOM MACDILL AFB FL RUEHNO/USMISSION USNATO 1258 RUCNDT/USMISSION USUN NEW YORK 0321

S E C R E T SECTION 01 OF 03 ASHGABAT 000228

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DEPT FOR SCA/AS BOUCHER, SCA/DAS GASTRIGHT, EUR/DAS BRYZA

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TAGS: ECON ENRG EPET MARR PGOV PREL TX

SUBJECT: SCENESETTER FOR ASSISTANT SECRETARY BOUCHER FROM

AMBASSADOR JACOBSON

REF: (A) ASHGABAT 44 (B) ASHGABAT 209

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Classified By: Ambassador Tracey Ann Jacobson, for reasons 1.4 (b) and (d)

Turkmenistan - Niyazov's Playground

11. (C) Turkmenistan is a hydrocarbon rich, strategically located dictatorship ruled by "President for Life" Saparmurat Niyazov. The South and Central Asia Bureau has inherited the eighth worst dictator in the world, according to "Parade" magazine; the third most corrupt country in the world, according to Transparency International; and a candidate for the Countries of Particular Concern list maintained by the U.S. Commission on International Religious Freedom. Niyazov maintains a cult of personality frequently compared to that of North Korea's Kim Jung Il wherein he makes all the important decisions regarding the country and tolerates no dissent or freedom of expression. Niyazov maintains a UN-blessed policy of neutrality which he uses to play important players off each other including the United States,

- 12. (C) U.S. policy in Turkmenistan is three-fold:
- -- encourage democratic reform and respect for human rights,
- $\mbox{--}$  encourage economic reform, growth of a market economy and development of energy resources, and
- -- promote security cooperation.

Russia, China and Iran.

Niyazov barely pays lip service to democratic or economic reform, is interested in maximizing his profits from his

hydrocarbon resources for his own personal projects, and cooperates moderately well on security issues. He is 66 years old and has multiple health problems - though none of them appear to be imminently life-threatening. He is likely to remain in power through the foreseeable future, and with no viable political opposition in-country or in exile, succession scenarios are not optimistic. In addition to encouraging those marginal improvements possible under the current regime, embassy focuses on reaching the next generation both through outreach programs around the country and exchange programs, both of which are seriously under-funded; Embassy Ashgabat receives less than one percent of annual Freedom Support Act allocations. Though embassy currently is right-sized, plans to eliminate our Diplomatic Readiness Initiative (DRI) pol/econ officer would reduce our pol/econ Foreign Service staff to one officer, seriously limiting our ability to carry out our mission in this challenging country. I ask your support in retaining this position.

## Human Rights Record Abysmal

13. (C) Turkmenistan remains a tempting target for increased cooperation on energy and security but its abysmal human rights record makes this cooperation problematic. Niyazov uses any and all high-level contact with the United States to augment his cult of personality and downplay USG criticism of the complete lack of democracy and freedom of expression, though embassy has been able to make small strides in religious freedom. International media play up the more comic aspects of Niyazov's despotism -- bans on gold teeth, beards and lip-syncing, but the real effects are far more sinister. His dumbing down of education is likely to succeed in removing the seeds of any critical thinking that could

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lead to a political opposition, but more tragically also will lead to at least one "lost generation" of Turkmenistani citizens who will lack the intellectual tools to run anything resembling a modern state. Niyazov's emollient pablum served up in Ruhnamas I and II and concurrent poetry anthologies increasingly is substituting for legitimate academic study. Niyazov also systematically denies his people freedom of movement, speech, press and assembly, and there is no hope in sight that the people of Turkmenistan will be able to choose their own leaders anytime soon. This is in spite of plans to hold a series of local and national elections, leading up to president elections in 2009, all of which he will closely control and populate with loyal members of his Democratic Party.

## Gas Games

 $\underline{\P}4$ . (C) The end of year Russian/Ukrainian gas standoff (ref A) renewed USG and European interest in diversification of Turkmenistan's gas pipelines, in the name of European energy security. Niyazov cares about cash to feed his construction frenzy and other personal projects and is likely to sell his gas to the highest -- and most convenient -- bidder. Russia's gas monolith GAZPROM has a clear advantage, as it controls all of the currently available export pipelines apart from a 8-12 billion cubic meter pipeline to Iran. Niyazov has a healthy fear of Russia's ability to block or otherwise thwart alternatives. Nevertheless, Niyazov continues to entertain the ideas both of a Trans-Afghan (TAP) and Trans-Caspian Pipeline (TCP) and seeks USG political and financial support for both concepts. Whether his interest is in actually developing the projects, or in using discussion as a bargaining chip with Russia, remains unclear. Niyazov also is actively courting the Chinese in the hopes of PRC assistance in exploiting the reserves along the Amu Darya River. The volume and quality of actual reserves, however, remains a state secret and Niyazov even keeps the results of the latest audit for the TAP-related reserve locked up in his personal safe. In the case of the TCP, negotiations for a similar project came to a bitter halt in 2000 when Niyazov requested a \$500 million "advance," ostensibly to cover loss of revenues should GAZPROM cut him off. Our current goal is to prevent the GOTX from signing a long term or high volume deal with GAZPROM which would reduce interest in TAP/TCP. Embassy intervention just prior to Niyazov's February 17 meeting with GAZPROM CEO Miller resulted in a two month reprieve (ref B). Regardless of the eventual customer(s) for Turkmenistan's gas, no one should be deluded into thinking that these profits will better the people of Turkmenistan. Oil and gas revenues are kept in an off-shore account that Niyazov personally controls to finance his pet vanity projects while health, education and infrastructure continue to deteriorate.

## Great Game

15. (S) As obscure and isolated as Turkmenistan is, it continues to occupy a strategic location in the Global War on Terrorism. Niyazov's UN-endorsed policy of "positive neutrality" keeps Turkmenistan at arm's length from Russian military encumbrances; Niyazov uses his minimal security relationship with the United States to show his "independence" from Moscow. Turkmenistan grants overflight and refueling rights to USG aircraft in support of Operation Enduring Freedom (OEF) in Afghanistan and greets every U.S. VIP visitor with pledges of continuing security cooperation. He would welcome a further deepening of this security relationship by signing a divert agreement for use of Mary

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Air Base, but will not provide, nor should the United States seek, agreement on anything in the way of basing rights. In addition to OEF support, Turkmenistan also cooperates on a modest exchange program with Nevada National Guard, mostly focusing on disaster preparedness, and has marginal participation in NATO, EUCOM and CENTCOM exchanges. In 2005 CENTCOM provided \$5 million in counter narcotics funding for the construction of border crossing stations on the Iranian and Afghanistani borders and embassy hopes to continue to working with CENTCOM on further Counter narcotics efforts, optimally through coordination with other SCA embassies.

## What the U.S. Can Do?

- 16. (C) The United States cannot give up on the people of Turkmenistan, and must continue -- and even increase -- funding for critical civil society, education, health, counter narcotics, border security and Muslim Outreach programs. Retaining our second pol/econ officer slot to report on these issues and implement our programs is critical. As former EUR/DAS Kennedy told Niyazov during a February 2005 visit, "your greatest resources are your people, and not only are they ready for democracy now, they've been ready for a long time." EUR/DAS Bryza reinforced this message during his January meeting with the president and further linked progress on human rights and religious freedom with USG cooperation on energy. As SCA prepares for introductory visits to Turkmenistan, it should keep pressure on Niyazov to make political and economic reforms in addition to cooperation in security and energy.
- $\P$ 7. (U) Embassy Ashgabat looks forward to working together with its new and old colleagues in SCA to promote democracy, economic development, and stability in this critical region. JACOBSON